

Cash-Out/Non Streamline - Refinance Maximum Mortgage Worksheet # 2

Use the Refinance Maximum Mortgage Worksheet **HUD-92900-WS**

(Full Credit Qualifying)

Owner-Occupied Principal Residences

2-A. Cash-Out Refinance according to ML 2005-43			
\$		Appraised Value (MCAW #4)	
X	95%		
=	\$	Maximum Mortgage Amount BEFORE UFMIP	MCAW 10f(2)

REQUIREMENTS:

ML 2005-43

- The subject property must have been owned by the borrower as his/her primary residence for at least 12 months preceding the date of loan application.
- If property is encumbered by a mortgage, the borrower must have made all of his/her payments within the month due for the previous 12 months. [FYI: The Mortgage Pmt. (PITI) that was due on the 1st (if not already paid) can be included in the new loan amount, in addition up to 30 days interest for the current month.]
- The property that is security for the refinanced mortgage must be a 1- or 2-unit dwelling.
- Subordinate financing may remain in place, but subordinate to the FHA insured first mortgage, regardless of the total indebtedness or combined loan-to-value ratio, provided borrower qualifies.
- Any co-borrower or co-signer being added to the note must be an occupant of the property. Non-occupant owners may not be added in order to meet FHA's credit underwriting guidelines for the mortgage.

If above requirements cannot be met, revert back to 85% and the requirements in the 4155.1 REV-5, 1-11, B

2-B.			
\$		Appraised Value or Sales Price-if owned less than a year, which ever is less	MCAW 10A
X	85%	**	
=	\$	Maximum Mortgage Amount BEFORE UFMIP	MCAW 10-F(1)

****The first and any subordinate liens when combined cannot exceed 85%.**

- Term of the new loan can be up to 30 years.
- Owner-occupants only. No investors. Non-profits not allowed.
- The existing mortgage can be delinquent but credit eligibility is still required. If credit is acceptable, borrower can pay delinquent interest out of loan proceeds.
- VOM or other documentation is required which includes principal balance, date loan originated, names of original borrowers and, type of loan. Other credit verifications are also required (VOE, VOD, etc.)
- There is no holding period, but if purchased within the past year, the calculation is the lesser of original sales price or appraised value.
- Subordinate financing may remain in place if it meets the criteria in 4155.1, 1-5 & 1-13.
- Social Security Numbers must be verified for all borrowers.